

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
ROCK CANYON METROPOLITAN DISTRICT (THE “DISTRICT”)
HELD
November 11, 2021

A Special Meeting of the Board of Directors of the Rock Canyon Metropolitan District (referred to hereafter as the “Board”) was convened on Thursday, November 11, 2021, at 9:00 a.m. via teleconference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Pete Klymokw, President
Natalie Fatseas, Treasurer
Matthew Valente, Secretary

Also, In Attendance Were:

Paula J. Williams, Esq.; McGeady Becher P.C.
Cathee Sutton; CliftonLarsonAllen, LLP
Kevin Collins, Board Candidate

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. It was noted by Attorney Williams that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, and no additional conflicts were disclosed at the meeting.

ADMINISTRATIVE MATTERS

Quorum/Confirmation of Meeting Location/Posting of Notice: A quorum was confirmed.

The Board discussed the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, and upon motion duly made by Director Klymkow, seconded by Director Valente, and upon vote unanimously carried, it was determined to conduct the meeting at the above-stated dated, time and location. It was further noted that notice of the time, date and location was duly posted and that no objections to the virtual location or any requests that the meeting place be changed by taxing electors within the District's boundaries were received.

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Agenda: The Board reviewed the Agenda for the meeting. Following discussion, upon motion duly made by Director Valente, seconded by Director Klymkow, and upon vote unanimously carried, the Board approved the Agenda, as presented.

Minutes of November 10, 2020 Special Meeting: The Board reviewed the Minutes of the November 10, 2020 Regular Meeting. Following review and discussion, upon motion duly made by Director Klymkow, seconded by Director Fatseas, and upon vote unanimously carried, the Board approved the Minutes, as presented.

Public Comment: There were no public comments

Resolution No. 2021-11-01; Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: The Board discussed the business to be conducted in 2022. Following discussion, upon motion duly made by Director Valente, seconded by Director Klymkow, and upon vote unanimously carried, the Board adopted Resolution No. 2021-11-01; Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices and determined to hold 2022 meetings on June 9, 2022 and November 10, 2022 at 9:00 a.m. to be conducted virtually.

Board Vacancies: The Board discussed the vacancy on the Board. It was noted that pursuant to Section 32-1-808(2)(a)(I), C.R.S., publication of a Notice of Vacancy on the Board was published in a newspaper having general circulation in the District and that no Letters of Interest from qualified eligible electors were received within ten (10) days of the date of such publication.

As such, eligible elector, Kevin Collins, was nominated to serve on the Board. Following discussion, upon motion duly made by Director Klymkow, seconded by Director Fatseas, and upon vote unanimously carried, the Board appointed Kevin Collins to fill the vacancy on the Board. The Oath of Office was administered.

Appointment of Officers: Following discussion, upon motion duly made by Director Klymkow, seconded by Director Fatseas, and upon vote unanimously carried, the following slate of officers were appointed for the District:

President:	Pete Klymkow
Secretary:	Matthew Valente
Treasurer:	Natalie Fatseas
Assistant Secretary:	Kevin Collins

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Master Service Agreement with CliftonLarsonAllen LLP (“CLA”) and related statement(s) of work: Following discussion, upon a motion duly made by Director Klymkow, seconded by Director Valente, and upon unanimously carried, the Board authorized the District President to approve the Master Service Agreement with CLA.

District Insurance and Special District Association (SDA) Renewal: The Board approved renewing the District’s general liability insurance coverage, public officials’ coverage, workers’ compensation coverage and instructed consultants to proceed accordingly. The Board further directed renewal of the District’s Special District Association membership.

FINANCIAL MATTERS

Unaudited Financial Statements: Ms. Sutton advised the Board that there were no quarterly financial statements available for review and acceptance at this time. No further action was taken.

Payment of Claims: Ms. Sutton reviewed the payment of claims with the Board. Following discussion, upon motion duly made by Director Klymkow, seconded by Director Fatseas, and upon vote the Board ratified the payment of claims in the amount of \$39,624.04.

Schedule of Cash Position: Ms. Sutton reviewed the unaudited financial statements and cash position for the period ending June 30, 2021 with the Board. Following discussion, upon motion duly made by Director Klymkow, seconded by Director Fatseas, and upon vote unanimously carried, the Board accepted the unaudited financial statements and cash position as presented.

2020 Audit: Ms. Sutton reviewed the 2020 Audit with the Board. Following discussion, upon motion duly made by Director Klymkow, seconded by Director Valente, and upon vote unanimously carried, the Board ratified approval of the 2020 Audit and Representations Letter.

Public Hearing on Amendment to 2021 Budget: The public hearing to consider an amendment to the 2021 Budget was opened.

It was noted that publication of Notice stating that the Board would consider amendment of the 2021 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed. Following discussion, it was noted that no amendment to the 2021 Budget was required.

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Public Hearing on 2022 Budget: The public hearing to consider the proposed 2022 Budget and to discuss related issues was opened.

It was noted that Notice stating that the Board would consider adoption of the 2022 budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

The Board reviewed the estimated 2022 expenditures and the proposed 2022 expenditures.

Upon motion duly made by Director Klymkow, seconded by Director Fatseas, and upon vote unanimously carried, the Board approved the 2022 Budget, as discussed, and considered adoption of Resolution No. 2021-11-02 to Adopt the 2022 Budget and Appropriate Sums of Money and Resolution No. 2021-11-03 to Set Mill Levies (15.104 mills in the General Fund and 50.349 mills in the Debt Service Fund, for a total mill levy of 65.453 mills.) Following discussion, upon vote unanimously carried, the Board adopted the Resolutions and authorized execution of the Certification of Budget. The District Accountant was directed to transmit the Certification of Tax Levies to the Board of County Commissioners of Douglas County not later than December 15, 2021. District Counsel was directed to transmit the Certification of Budget to the Division of Local Government no later than January 30, 2022.

Resolution No. 2021-11-04 Authorizing Adjustment of Mill Levy in Accordance with the District Service Plan: Following discussion, upon motion duly made by Director Valente, seconded by Director Klymkow, and upon vote unanimously carried, the Board approved the Resolution No. 2021-11-04 Authorizing Adjustment of the Mill Levy in Accordance with the District Service Plan.

DLG-70 Mill Levy Certification Form: Following discussion, upon motion duly made by Director Klymkow, seconded by Director Valente, and upon vote unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification Form for certification to the Board of County Commissioners and other interested parties.

Preparation of 2023 Budget: Following discussion, upon motion duly made by Director Klymkow, seconded by Director Valente, and upon vote unanimously carried, the Board ratified the appointment of the District Accountant to prepare the District's 2023 Budget.

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2021 Audit Preparation: Following discussion, upon motion duly made by Director Fatseas, seconded by Director Valente, and upon vote unanimously carried, the Board approved the engagement of Dazzio & Associates, P.C. to perform the District's 2021 Audit, for an amount not to exceed \$5,000.

LEGAL MATTERS

Resolution No. 2021-11-05 Calling May 3, 2022 Election: The Board discussed the May 3, 2022 election. Following discussion, upon motion duly made by Director Klymkow, seconded by Director Valente, and upon vote unanimously carried, the Board adopted Resolution No. 2021-11-05 Calling a May 3, 2022, Directors' Election which appointed Jessie Stamper as the Designated Election Official and authorized her to perform all tasks required for the May 3, 2022, Regular Election of the Board of Directors for the conduct of a mail ballot election.

Section 32-1-809, C.R.S. Requirements (Transparency Notice): The Board discussed the special district transparency requirements of Section 32-1-809, C.R.S. Following discussion, the Board directed District Counsel to post the special district transparency notice on the Special District Association website.

Second Amendment to Operation Funding Agreement: Attorney Williams reviewed the proposed Operation Funding Agreement by and between the District and Taylor Morrison of Colorado, Inc. with the Board. Following discussion, upon motion duly made by Director Klymkow, seconded by Director Valente, and upon vote unanimously carried, the Board approved the Operation Funding Agreement by and between the District and Taylor Morrison of Colorado, Inc..

OTHER BUSINESS

None.

ADJOURNMENT

There being no further business to come before the Board at this time, the meeting was adjourned.

Respectfully submitted,

By Matthew Valente
Secretary for the Meeting